

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF VIRGINIA**

In re: PAMELA GWEN WATSON
Debtor.

Case No. 22-60700
Chapter 13

**TRUSTEE'S MOTION TO DISMISS AND
OBJECTION TO CLAIM #9 FILED BY LANGLEY FEDERAL CREDIT UNION**

COMES NOW Angela M. Scolforo, Chapter 13 Standing Trustee (hereinafter "Trustee"), and (i) moves this Court to dismiss this case pursuant to 11 USC Section 1307(c) for cause for the Debtor's violation of Section 1306(b), and (ii) objects to claim #9 filed by Langley Federal Credit Union which has already been paid in full, and in support thereof offers the following:

HISTORY OF THE CASE

1. Pamela Gwen Watson, hereafter the "Debtor," filed her Chapter 13 Petition on July 18, 2022.
2. On July 18, 2022, the Debtor filed Schedule B listing a 2013 Ford F150 with a value of \$12,550, for which she claimed a \$6,000 exemption on Schedule C and listed a secured debt owed to Langley Federal Credit Union with a balance owed of \$3,929.
3. The Debtor filed her chapter 13 plan on July 18, 2022, which proposed to pay 100% to unsecured creditors and directed the Trustee to disburse payments over 24 months to pay in full the secured claim of Langley Federal Credit Union in the amount of \$3,929, which plan was confirmed by Order entered September 28, 2022.
4. On September 16, 2022, Langley Federal Credit Union filed secured claim #9 in the amount of \$3,933.63, secured by the 2013 Ford F150.
5. As of June 1, 2023, the Trustee has disbursed payments of \$1,134 to Langley Federal Credit Union on its secured claim #9.

MOTION TO DISMISS CASE

6. On or about April 26, 2023, the Trustee received an email from Carrie Wyatt, the Lead Business Office Associate for CarMax in Richmond alerting the Trustee that they purchased the 2013 Ford F150 from the Debtor for \$7,000 from which they paid Langley Federal Credit

Union \$3,322.28 and they paid the Debtor \$3,677.72. The Vehicle Purchase Agreement is attached hereto as Exhibit A.

7. The Trustee has requested further information about this sale from the Debtor, through her attorney, without success.

8. Bankruptcy Code Section 1306(b) provides that the Debtor “shall remain in possession of all property of the estate.”

9. Upon information and belief, the Debtor sold her vehicle in violation of Bankruptcy Code Section 1306(b) and retained the net proceeds from the sale without paying her creditors.

OBJECTION TO CLAIM #9 FILED BY LANGLEY FEDERAL CREDIT UNION

10. Pursuant to the Vehicle Purchase Agreement, the claim of Langley Federal Credit Union has been paid in full in the amount of \$3,322.28 on April 26, 2023.

11. Langley Federal Credit Union has not amended its claim #9 to show it has been paid in full.

12. The Debtor has not objected to claim #9 as paid in full from her sale of the 2013 Ford F150 in April.

13. The Trustee asks that claim #9 filed by Langley Federal Credit Union be disallowed in the amount above the \$1,134 already disbursed by the Trustee.

Therefore, the Trustee seeks an order (1) dismissing this case pursuant to 11 USC Section 1307(c) for cause, because of the Debtor’s violation of Section 1306(b), and (2) directing the Trustee to stop disbursing any payments to Langley Federal Credit Union on its claim #9, or (3) for such other relief as this court deems just.

CHAPTER 13 TRUSTEE, ANGELA M. SCOLFORO

/S/ ANGELA M. SCOLFORO

Angela M. Scolforo, Chapter 13 Trustee, VSB #42574

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NOTICE OF HEARING

If the Debtor and/or Langley Federal Credit Union opposes the Trustee's Motion and Objection they should file a response with the United States Bankruptcy Court to said Motion and Objection, and absent same, the Debtor and Langley Federal Credit Union may be in default and the Trustee's Motion and Objection may be granted. The hearing on the Trustee's Motion and Objection shall be heard on:

July 12, 2023, at 9:30 am

Interested parties should not appear in person at the Courthouse. Interested parties may attend the hearing electronically by Zoom as follows:

Meeting ID: **160 369 2643**:

URL: <https://vawbuscourts-gov.zoomgov.com/j/1603692643>

CERTIFICATE OF SERVICE

The Trustee served a copy of this Motion to Dismiss and Objection to Claim and Notice of Hearing on this 8th day of June, 2023, upon the Debtor(s) by first-class mail, postage paid, and upon the Debtor(s)" counsel electronically and upon Langley Federal Credit Union, first first-class mail, page paid, at P.O. Box 120128, Newport News, VA 23612; and to CEO Tom Ryan, Corporate Office, 721 Lakefront Commons, Newport News, VA 23606, and to Collections Department, 11742 Jefferson Avenue, Suite 300, Newport News, VA 23606.

/S/ ANGELA M. SCOLFORO